[13th February 1959

Small scale industries

* 314 *Q.*—SRI V. K. KOTHANDARAMAN : கனம் ரெவினியு அமைச்சர் அவர்கள் தயவுசெய்து பதிலளிப்பாரா :—

(அ) சிறு கைத்தொழில் நடத்த ஸ்தல ஸ்தாபனங்களின் அனுமதி கிடைக்காத நிலைமையைப்பற்றி 11—11—1958-ந் தேதி கனம் முதல் அமைச்சர் அவர்களுக்கு திரு. வி. கே. கோதண்டராமன், எம். எல். ஏ. எழுதிய லெட்டர் கிடைத்ததா ?

(ஆ) அதன் மீது என்ன நடவடிக்கை எடுக்கப்பட்டது ?

THE HON. SRI M. A. MANICKAVELU : (*a*) Yes, Sir.

(*b*) The matter is under consideration. The remarks of the Heads of Departments are awaited.

Rate of interest on the loans advanced to the State Electricity Board

MR. SPEAKER : The hon. Member Sri N. K. Palanisami is absent. So, the question and answer will be printed in the official proceedings.

* 316 *Q.*—SRI N. K. PALANISAMI : Will the Hon. the Minister for Electricity be pleased to state the reasons for charging high rate of interest on the loan advanced to the State Electricity Board?

THE HON. SRI V. RAMAIAH : At present, interest at $5\frac{1}{4}$ per cent per annum is charged on the loans advanced by the Government to the Madras State Electricity Board for the following reasons :—

(i) This is based on the effective rate of borrowing of Government.

(ii) This rate cannot be considered to be high when compared to the rate of $5\frac{1}{2}$ per cent charged on loans under the State Aid to Industries Act and on the loans granted by the Industrial Investment Corporation ; and

(iii) Loans raised by Government in the open market and from Government of India have to be repaid after 10 or 12 years. The amounts re-lent to the Electricity Board by Government are treated as perpetual loans and the Board will not be repaying the principal as it is prohibited from doing so under the Electricity (Supply) Act, 1948. The higher rate of interest is justified on this ground also.

Madurai City Milk Supply Union

MR. SPEAKER : The hon. Member Sri V. Sankaran is not in his seat. The question and answer will be printed in the official proceedings.

* 317 *Q.*—SRI V. SANKARAN : Will the Hon. the Minsiter for Home be pleased to state—

(*a*) whether there is any proposal to give financial assistance to the Madurai City Milk Supply Union; and

(*b*) if so, for what purposes?